



MARYLAND



GRAIN & LIVESTOCK REPORT

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Market Analysis - September 21, 2004Michael Haigh-Assistant ProfessorUniversity of MD Cooperative Extension

Last weekend marked what is officially viewed as the first harvest weekend for soybeans, and what a way to start that weekend with yet another bearish week. Technically the November contract is moving in such a way that a bumper crop could occur. Yield projections are good and the weather looks favorable and the August NOPA crush numbers came in lower than expected thus pushing prices lower. Weekly export sales on Thursday were great but that made absolutely no difference to the bleak picture. I would suggest that things don’t look like it might get any better so you should have protection in place – probably puts. Soybeans hit a key (low) level on Monday and that level triggered a multitude of sell stop orders (orders to sell when a key price is hit). That sent prices down about 10 cents. Can it get worse? Yes, basis bids have narrowed now that harvest is upon us. From the bullish perspective, the dollar plunged again mid week, not that exports seem to be getting the attention of traders anymore! Harvest is two worlds apart here in the U.S., the south is way ahead of progress, the north way behind, so on average, things are moving along at the right pace! Baring any amazing developments this week in the export market, be prepared for prices to grind lower still. Corn was lower due to a rapidly expanding harvest over the weekend. The market moved lower despite a massive export sale of 110,000 tons to an unknown destination on Friday. As one analyst said “So what; it is harvest!” Nothing has really changed in this market and without any massive surprises the prices of corn should be range bound. In fact, on Wednesday of this week December futures were virtually unchanged – throughout the entire day. Traders had absolutely no new information to trade off. CBOT sources were quoted as saying that funds were buying on the day but the activity went unnoticed with locals presumably understanding that this was nothing more than profit taking by the funds. Despite this lack of movement, corn managed to post a new low, making this nine days in a row of contract lows. Wheat was mostly higher last week but on Monday of this week it seemed obvious that this market has run out of momentum. The weather in Canada has been poor which has been the main reason for support in this market and managed to offset the lower export sales last week. The winter wheat market plantings in the U.S. should go into the ground in fantastic shape which will start things on a bullish note. By mid week of this week things improved – mainly due to a mess in Canada. The weekly report out of Saskatchewan shows only 9% of the hard red spring wheat harvested versus 68% average! On a bearish note – world wheat supplies are still large enough to satisfy demand.

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Dec04)	NEW (Dec04)	CASH (Nov04)	NEW(Nov04)	CASH(Dec04)	NEW(Jul05)
Western MD	+54	+54	-5	n/a	+6	n/a
Central MD	+10	+10	+13	n/a	+6	-19
Southern MD	-12	-12	-31	-31	-24	-24
Upper E. Sh	Even	Even	-24	-24	n/a	-20
Lower E. Sh	+5	+5	+9	-17	-11	-20

WEEKLY CROP WEATHER SUMMARYMARYLAND AGRICULTURAL STATISTICS SERVICE

The remnants of Hurricane Ivan hit Maryland by week’s end with rainy and windy conditions. Rainfall amounts varied with some areas receiving up to six inches while others received less than one inch of moisture for the week. Farmers were concerned about corn and soybean fields in some areas. Despite wet conditions, farmers still had an average of 5.1 days suitable for fieldwork for the week ending September 19. Corn for Grain harvest continued to progress, although slightly below the five year average. Eighteen percent of the crop has been harvested for grain with 45 percent rated in excellent condition. Corn for silage harvest continues well ahead of schedule at 72 percent complete.

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	9/14	9/21	9/14	9/21	9/14	9/21	9/14	9/21
Western Md	2.68	2.64	5.65	5.33	3.10	3.20	2.12	1.98
Central MD	2.35	2.20	5.69	5.51	3.27	3.26	2.15	2.15
Southern MD	2.08	1.98	5.36	5.07	3.02	3.50	----	----
Upper E. Shore	2.22	2.10	5.36	5.12	---	---	----	---
Lower E. Shore	2.23	2.15	5.71	5.47	3.08	3.15	1.76	1.76
Soybean Meal Lower Eastern Shore Dealer's Average Cash quotes (\$/ton)								
Date	9/14	9/21	Date	9/14	9/21			
48% Soybean Meal	210.00	190.00	44% Soybean Meal	198.00	178.00			
FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	9/14	9/21	9/14	9/21	9/14	9/21	9/14	9/21
Western Md	----	----	----	----	----	----	----	----
Central MD	2.44	2.20	5.91	5.51	3.32	3.26	----	----
Southern MD	2.08	1.98	5.36	5.07	3.17	3.21	1.65	1.65
Upper E Shore	2.22	2.10	5.36	5.12	3.20	3.25	1.65	1.65
Lower E Shore	2.23	2.15	5.45	5.21	3.22	3.25	1.65	1.65
GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Sep 21, 2004								
Corn		Soybeans		Wheat		Soybean Meal <sup>1</sup>		
Dec	212.60	Nov	542.20	Dec	334.60	Oct	159.90	
Mr05	222.60	Ja05	549.40	Mar05	345.20	Dec	162.30	
May	229.20	Mar	557.20	May	348.60	Ja05	163.90	
Jul	234.60	May	564.20	Jul	350.40	Mar	167.40	
Sep	240.20	Jul	570.40	Sep	355.00	May	170.50	
Dec	247.00	Aug	570.00	Dec	360.40	Jul	174.00	

<sup>1</sup> \$/ton

HAY AND STRAW															
New Holland, PA - \$/ton - Sep 20, 2004 - 84 Loads															
Alfalfa		Mixed		Timothy		Orchardgrass		Straw							
80.00-210.00		45.00-235.00		65.00-210.00		50.00-172.00		105.00-200.00							
Westminster, MD - \$/bale - Sep 22, 2004 - 138 Lots															
Alfalfa		Alfalfa Mix		Timothy		Timothy Mix		Grass Mix		Straw		Clover Mix			
3.10-5.00		2.00-4.60		1.00-3.10		1.00-3.40		1.25-3.90		1.80-3.20		.70-1.60			
POULTRY (Grade A) - Week Ending Sep 25, 2004															
				Current Week		Week Ago		Month Ago		Year Ago					
NY Wtd Avg. (Fryers)				62.74		62.64		69.96		61.13					
12 City Composite				69.59		69.59		75.56		64.27					
LAMBS - Westminster, MD - \$/cwt - Sep 21, 2004															
30-40 lbs		80.00-112.50		70- 80 lbs		85.00-122.50		Sheep							
50-60 lbs		97.50-125.00		90-130 lbs		73.00-140.00		All Weights		42.50-80.00					
TERMINAL MARKETS HOGS - Sep 21, 2004						DIRECT MARKET HOGS - Westminster, MD - Sep 21, 2004									
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		Butcher Hogs				215-260 lbs		48.00-52.50			
a.m.		Base 185 lb Hog		300-449 lbs										Sows	
Iowa, Minn		65.50-81.00		37.00-46.59											
Eastern Cornbelt		66.50-81.00		39.75-48.75		Millsboro, DE Market Hogs - (\$/cwt) - Sep 22, 2004						\$ 50.00-51.50			
FEEDER PIGS - (\$/cwt) -															
Gumboro, DE - Sep 21, 2004						New Holland, PA - Sep 22, 2004									
Head: 242		Trend: None		Under 30 lbs		70.00-135.00		Head: 344		Trend: All slaughter					
30-39 lbs		110.00-140.00		40-49 lbs		75.00- 95.00				33-37 lbs		90.00-120.00			
50-59 lbs		50.00- 89.00		60-69 lbs		58.00- 79.00				63-66 lbs		77.00- 82.00			
70-79 lbs		55.00- 83.00		80-89 lbs		55.00- 72.00									
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Sep 21, 2004						HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Sep 21, 2004									
Sep		84.50		Dec		88.38		Oct		74.45		Apr		65.88	
Oct		85.65		Fb05		89.85		Dec		69.58		May		65.10	
Nov		86.00		Apr		87.60		Feb05		68.05		Jun		69.35	
STOCKER-FEEDER CATTLE - (\$/cwt)															
Winchester, VA - Sep 20, 2004						Westminster, MD - Sep 21, 2004									
Steers		300-400 lbs		119.00-139.00		Steers (M&L)		300- 400 lbs		84.00-115.00					
		400-500 lbs		115.00-133.50				500- 600 lbs		83.00-108.00					
		500-600 lbs		109.00-121.50				700- 800 lbs		67.00- 85.00					
		600-700 lbs		104.75-113.00				1000-1100 lbs		51.00- 54.00					
Heifers		700-800 lbs		99.50-100.50		Heifers (M&L)		200- 300 lbs		80.00-123.00					
		300-400 lbs		108.50-121.00				400- 500 lbs		74.00-105.00					
		400-500 lbs		105.00-118.00				600- 700 lbs		64.00- 89.00					
		500-600 lbs		90.00-109.00				800- 900 lbs		68.00- 77.00					
		600-700 lbs		94.50-104.50		Hols Bulls Returned to farm		80- 90 lbs		101.00-137.50					
		700-800 lbs		95.00-103.25				100- 110 lbs		112.50-147.50					
		800-900 lbs		84.00- 89.50				120 lbs		100.00-142.50					
						Holstein Heifers		#1		400.00-480.00					
								#2		120.00-150.00					
Lancaster, New Holland & Vintage - Week Ending - Sep 25, 2004															
Bull, Holstein		90-125 lbs		132.00-172.00		Plainer		90-125 lbs		120.00-157.00					
Heifers, Hols		90-125 lbs		530.00-690.00		Plainer		90-125 lbs		400.00-550.00					
SLAUGHTER CATTLE (\$/cwt)															
Westminster, MD - Sep 21, 2004															
Fed Steers						Fed Heifers									
H-Ch				80.00-84.00		Ch				83.25					
L-Ch				76.75-79.50		L-Ch				76.00-78.00					
Thin Hols				56.75		Select				70.00-76.00					
Cows						Small & Fat				53.00-67.00					
High Dressing				52.00-56.25		Calves									
Breakers				46.50-51.00		Slaughter				39.00-100.00					
Boners				41.50-46.00											
Thin & Slow				39.00-Down											
Lancaster, New Holland & Vintage - Week Ending - Sep 25, 2004															
Steers, Ch 2-3		1235-1495 lbs		81.00-86.00				Steady - \$3 higher							
Cows, Breakers 75-80 pct lean				52.50-56.00				Steady - \$2 lower							
Bulls, YG 1		1145-2150 lbs		60.25-69.75				Steady - firm							

For more information about this report, call 410-841-5740 or write:

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